

ECONOMIC DEVELOPMENT COMMISSION

MEETING MINUTES

November 19, 2020

8:30 a.m. – 12:00 p.m.

MEETING DATE

November 19, 2020

Virtual Meeting

MEETING PARTICIPANTS

A. Commission Members

Carrie Schiff, Becky Takeda-Tinker, Chris Franz, Wendell Pryor, Blake Jones, David Dragoo, Benita Duran, Jandel Allen-Davis, Rob Brown, Gretchen Wahl, and Jay Seaton.

B. Guests

Alex Carlson, Alexis with Project Rover, Brian Cohen, Candace Payne, Danielle Oliveto, Delaney Keating, Devany McNeill, Ed Sealover, Emily Reece, Erin Krueger, Jason Bertolacci, Jeff Litchford, Jeff with Project Artemis, Jessica Scott, Johanna Ostrum, Kent Thiry, Laura Shunk, Lucie with Project Artemis, Marisa Stoller, Michelle with Project Rover, Patricia Scheller, Paul Scharfenberger, Rachel Lyons, Sam Bailey, Terri Benson, Trish Thibodo, Whitney Johnson, and Will Toor.

C. Staff

Betsy Markey, Jeff Kraft, Sean Gould, Katie Woslger, Rama Haris, Ken Jensen, Jill McGranahan, Tad Johnson, Andrea Blankenship, Sonya Guram, Andrew Wallace, Courtney Marshall, Reid Aronstein, Donald Zuckerman, Kelly Baug, Mike Landes, David Madsen, and Virginia Davis.

DECISION/ACTION ITEMS

1. The Economic Development Commission approved the Minutes from the October 15th and October 22nd, 2020 EDC Meetings with the noted change.
2. The Economic Development Commission approved the following projects/items

SF:	Colorado Clean Energy Fund Loan Guarantee; Winter Outdoor Dining; Rural Theater; EZ Administration for CY21; and SF Modification for Just Transition Counties.
JGITC:	Project Lime with a LONE approval; Project Rover; and Project Artemis (JGITC and COFTM).
EZ:	DEN – Urban Peak; PP – Olympic Museum; PP – Pioneers Museum; PP – Goodwill Workforce Development; REG10 – Pioneer Museum; REG10 – Hilltop Community Resource Operations; NE – Sedgwick County Health Center Radiology; and EZ Boundary Amendment Correction.
AI:	AI Competitive Applications: 16 Projects; AI Fast Track Applications: 18 Projects; and National Jewish Hospital Tech Transfer Allocation.

A. Meeting Called to Order

Schiff called the meeting to order.

Meeting Minutes

Allen-Davis moved approval of the October 15th and October 22nd, 2020 EDC Meetings with a noted change to add him to the named Commissioners present at the October 22nd meeting. Wahl seconded the motion. Motion passed unanimously.

M/S/P – Allen-Davis, Wahl – October 15th and October 22nd, 2020 minutes approved with noted change to October 22nd.

B. Strategic Fund (SF): Betsy Markey, Jeff Kraft, Sean Gould, Donald Zuckerman, Kelly Baug, Andrew Wallace

Supplemental Budget

Markey presented the Supplemental Budget update. The Governor just submitted his budget request for FY22. Included in this request is a stimulus package with direct financial relief for our businesses, with funds becoming available as early as January, pending legislative approval. Stimulus funding coming through OEDIT includes:

- One-time infusion to the Strategic Fund - \$15M
- One-time infusion to Advanced Industries - \$10M
- Creation of a Colorado Startup Loan Fund - \$30M
- One-time infusion to the Minority Business Office (via the Strategic Fund) - \$4M

Thanks to an improved economic forecast, the State is able to make immediate investments in Colorado businesses and families to help them make it through the winter and rebound our economy.

EDC Budget Update

Gould presented the EDC Budget update which shows a current balance of \$5,417,865 available for future projects.

Strategic Fund Balance Forecast

Gould provided the SF Balance Forecast which shows \$891,365 in projected available funds.

Colorado Clean Energy Fund

Kraft said in the previous legislative session a law was passed to set up an office within the Colorado Department of Labor and Employment that is convening a multi-agency task force to support a Just Transition of coal impacted and other similar communities, away from coal energy and help them diversify their economies.

Kraft introduced Paul Scharfenberger and Will Toor to present the project.

Colorado's greenhouse gas (GHG) emissions produced from electricity generation have declined since 1990, signaling the state's transition to clean electricity generation. However, electricity generation only accounts for 29% of Colorado's total annual GHG emissions, and emissions from all other sources have nearly doubled since 1990. As a result, virtually all sectors of Colorado's economy need to dramatically decarbonize over the coming years to meet the targets outlined in Colorado's climate action plan.

The good news is that nearly all the technologies that are needed to accomplish Colorado's climate goals already exist and, in many cases, provide compelling cost savings to consumers. And in some geographies and for certain customers, there is already ample private capital to finance technologies like utility-scale solar and wind projects. The same is true of energy efficiency projects for high-credit owners of large commercial buildings and residential homes. However, we cannot transition to a clean-energy economy and sustainable climate future on the timeline we need by investing in only a subset of people and places. This transition needs to occur in an equitable fashion, benefitting all Coloradoans, and right now little private capital flows into low-income or communities of color for any climate-related activity. The same is true for Colorado's rural coal communities that have been adversely impacted by the transition from carbon to clean energy. Addressing these capital gaps will not only allow Colorado to meet its climate goals, but also ensure a just transition to clean energy, create jobs and address social, health, and wealth disparities.

The Colorado Clean Energy Fund (CCEF) and the Colorado Energy Office (CEO) are partnering to address these clean energy investment gaps. CEO and CCEF are jointly applying for a \$5MM, 0% interest loan from the United States Department of Agriculture (USDA) – CEO as borrower and CCEF as fund administrator. With this capital, CEO and CCEF will direct clean energy investment towards underserved communities, with a particular focus on just transition and low-income communities.

To obtain this loan from USDA, CEO and CCEF are required to pledge collateral in the form of a partial loan guaranty. To protect the state's financial position and avoid contingent liabilities which are not accounted for, the state of Colorado, by law, is prevented from making loan guarantees unless it has the actual cash or other liquid assets available to satisfy the guarantee requirements if called. Currently, CEO and CCEF do not have these assets or funds available. As such, CEO and CCEF are requesting that the Economic Development Commission consider this application for \$2MM from the EDC's strategic fund to be applied in the form of a loan guaranty to leverage and gain access to \$5MM of federal funding. The EDC would contractually encumber these funds for use as a loan guarantee, but OEDIT would continue to hold these funds on the State's balance sheet and would only transfer them to CCEF if a loan default occurs that requires CCEF to call the guarantee from OEDIT.

In the Governor's 2021-2022 budget, he has requested \$40MM for CEO to fund Clean Energy Stimulus programs, including clean energy finance programs. This funding could be made available to CEO as soon as January 2021. If this funding is made available to CEO, then CEO intends to provide a significant portion to CCEF. If CEO is able to provide at least \$2M to CCEF, then the EDC would be able to unencumber its \$2MM strategic fund allotment to CCEF. This potential to quickly unencumber strategic funds will be described in the EDC's contract with CCEF and memorialized in an appropriate document between the EDC and CEO.

If CCEF does not obtain funds that would allow it to take over the \$2MM guarantee provided by the EDC, then the EDC funds shall remain encumbered for up to five years. At the end of this period, if the EDC funds have not been called by CCEF to cover defaulted loans, then the EDC shall have the option to cancel the guarantee and redirect the funding towards other projects.

After any calendar year starting in February 2022 for calendar year 2021 and every February thereafter that the EDC's funds have been used for a loan guarantee for the previous calendar year, CCEF shall report back to the EDC with the following information provided in writing

- The number, amount, purpose, and location of loans made by CCEF, including loans in Just
- Transition and low-income communities
- The amount of direct jobs created by CCEF's lending activities
- The progress of CEO/CCEF towards providing a replacement for the EDC's strategic fund guarantee
- If requested by OEDIT or the EDC, CCEF shall send a representative to an EDC meeting to present on its progress report
- The most recent audited financial statements of CCEF

M/S/P - Duran, Allen-Davis – Colorado Clean Energy Fund request approved as presented and recommended by staff. Jones recused himself from the vote.

Winter Outdoor Dining Fund

Gould introduced Danielle Oliveto to present the Winter Outdoor Dining Fund request.

This grant program, to be administered by Colorado Restaurant Foundation (CRF), a non-profit, is to help our restaurants pivot during the cold winter months with a focus on expanding outdoor dining. We know

it's safer to be outside during this pandemic and restaurant capacities will not be increasing. With the margins so small on these establishments already, it's important to provide them with design expertise, construction and supplies to help them adapt to this new environment. While there will be several restaurants that will not pivot and won't make it through the winter, we know that restaurants are integral parts of our neighborhoods and communities and Coloradans will need outlets for interaction over the winter.

The Colorado restaurant industry has lost billions of dollars in revenue in 2020, with \$1 billion lost in the month of April alone. The industry shed about 87,000 jobs, resulting in staffing levels that are approximately two thirds of what they were in 2019. According to the Colorado Restaurant Association's monthly survey of restaurateurs, 90% of restaurants say their sales are down since 2019. In fact sales are down an average of 40% across the industry.

The Colorado Restaurant Foundation has established an emergency assistance program to assist Colorado-based restaurants that are experiencing financial hardship because of the COVID-19 crisis and state and local regulations limiting the number of customers in indoor spaces. Recipients must use the grant funds to purchase items needed to maintain outdoor dining spaces for patrons during colder weather. The program is administered by the foundation committee charged with reviewing all applications per the standardized eligibility requirements and criteria set forth below.

Staff is requesting \$500,000 for a Strategic Fund Initiative Grant to Colorado Restaurant Association Foundation (a non-profit).

Xcel Energy has already matched with \$500,000 and started this grant project. The Strategic Fund grant will unlock another \$50,000 in matching funds from Xcel.

This incentive is contingent upon:

- Reporting back to the EDC at the end of this grant program on success/failure and metrics... and one or two highlight stories on a couple companies.
- All promotional material and press releases, applications etc., will mention the "Office of Economic Development & International Trade, Economic Development Commission" as a sponsor/contributor to the grant program, or something similar, and/or the office's logo.

M/S/P - Pryor, Takeda-Tinker – Winter Outdoor Dining Fund approved as presented and recommended by staff.

Rural Theaters COVID-19 Support Initiative

Baug presented the request. Rural movie theaters are the backbone of Main Street in Colorado. There are approximately 70 movie theaters located outside the Front Range, and many of them need support in the wake of COVID-19. Independent theaters are at great risk of permanent closure due to the COVID-19 pandemic. According to the National Association of Theatre Owners, 69% of small and mid-sized cinema companies could be forced to file for bankruptcy or shutter permanently. In Colorado, these theaters are largely owned and operated locally and consist of 501 (c) (3) entities, town-owned theaters, and family-owned businesses. The majority of these theaters are on rural main streets and have an interdependent relationship with art galleries, bars, restaurants, and retailers along the same strip. These businesses attract and share patrons, enlivening the downtown corridors of rural Colorado.

Theaters across the world closed their doors at the onset of COVID-19 in March 2020, abruptly cutting off revenue streams. In March, we made a survey of independent theaters in Durango, Ridgway, Julesburg, Paonia, Cortez and Walsenburg. The survey showed many theaters have little capital in reserve and are hand-to-mouth operations. We estimate that, excluding staffing costs, monthly expenses are

approximately \$2,000-\$3,000 per theater. The majority of theaters have remained closed over the past six months, subsisting on minimal reserves. As the pandemic stretches on, likely taking us at least through the winter to achieve a vaccine and for studios to begin releasing films once again, we are seeking to support approximately 25-30 qualified rural theaters with grants of up to \$12,500 each to pay for rent or mortgage, insurance, taxes, and utilities throughout the coming winter and spring months, which will help to defray part of theaters' lost income and keep them from shuttering for good and able to resume business as usual when public health order restrictions are lifted and Hollywood begins releasing new films.

OEDIT has commitments of \$50,000 each from the Gates Family Foundation, the Boettcher Foundation, and the El Pomar Foundation, and \$10,000 from the Colorado Educational and Cultural Facilities Authority to support rural theaters. Further support continues to be recruited via the Rural Funders Network for an additional \$40,000. These funds will be released upon EDC approval of a request for matching funds of up to \$200,000 from the Strategic Fund.

Staff is requesting that the EDC approve of a Strategic Fund allocation for rural theaters, not to exceed \$200,000. Amount will be determined by the total amount of Match Funds received. This encumbrance may be reduced to the total amount, dollar for dollar, of Matching Funds received.

M/S/P - Pryor, Seaton – Rural Theaters COVID-19 Support Initiative approved as presented and recommended by staff.

The EDC thanked staff for the variety of interesting and creative programs that were presented today for use of the Strategic Fund to help the State with COVID-19. We're looking forward to seeing how these work out.

Enterprise Zone Local Administrative Funding for CY21

Kraft said on a calendar year basis the EDC approves funding for the EZ program. We have sixteen enterprise zone administrators around the state that serve as our eyes and ears and key contact points for OEDIT in managing the program but also rolling out other initiatives and giving us feedback on the ground about what is going on all over the state. The EZ program is a huge program. We have thousands of electronic transactions associated with the EZ program every year with thousands of businesses and non-profits utilizing the program and they need the administrators to help them understand and explain the program and help them to come up with strategies for how to roll it out on a local and regional basis. There is no dedicated funding for the EZ program. Supporting internal OEDIT resources as well as external partners comes out of the Strategic Fund every year. It's an important program and we support this request.

Wallace said there are 16 State Enterprise Zones and 19 local Enterprise Zone (EZ) Administrators that are formally associated with regional economic development organizations, counties, and cities around the state. These local economic development professionals utilize the EZ program to promote economic development in areas that are economically distressed. They work with local stakeholders to develop plans that represent the needs of the community in revitalizing the 16 designated Enterprise Zones. These local administrators are the face of the program and the primary source of information for local businesses. They nominate areas for Enterprise Zone status, work with businesses to grow and expand, evaluate and nominate Contribution Projects that support the local economic development goals, and certify business' eligibility to claim Enterprise Zone tax credits, while working closely with OEDIT to administer the EZ program.

We are requesting total Strategic Funds of \$366,500 for Enterprise Zone administration for calendar year 2021. This amount is \$10,000 less than funds granted by the EDC in 2019. The \$366,500 will provide grants

for local zone administration and funds to cover travel and costs associated with meetings and trainings for local zone administrators organized by OEDIT. We wish to allocate \$358,500 for administrative grants and \$8,000 for meeting and travel costs. Any funds not utilized will revert back to the Strategic Fund. All \$18,000 in funds from 2020 travel and training costs will revert back to the Strategic fund as we did not hold in person trainings this year due to COVID-19.

M/S/P - Duran, Takeda-Tinker – EZ Local Administrative Funding for FY21 approved as presented and recommended by staff.

C. Job Growth Incentive Tax Credit (JGITC): Sean Gould, Reid Aronstein, Kelly Baug, Donald Zuckerman

Project Updates

Aronstein provided an update. Ispace Technologies introduced as Project Cosmic Sphere and Healthpeak Properties introduced as Project Pegasus have both chosen Colorado. These are both great wins for Colorado in two of our key industries.

Project Lime

Aronstein presented Project Lime. Project Lime is a managed service organization that manages concierge medical clinics across the US. The company behind Project Lime was acquired by a private equity firm in 2008, who is in the process of restructuring the company and pursuing a new growth strategy. In pursuing this strategy, the company has assembled a new management team and is searching for a headquarters location in the contiguous United States. The ability to retain the new management team and grow nationally from a centralized location is a major factor in the company's plans to relocate the headquarters to the contiguous United States. In addition to relocating their HQ and corporate office, the company also plans to open up 1-3 clinics near their new HQ location. The job growth for these clinics are not part of this incentive's employment plan and will not be included in any incentive payouts. The company currently has no employees in Colorado.

Staff is requesting approval of \$693,470 in performance-based Job Growth Incentive Tax Credit over an 8 year period for the creation of up to 52 net new full-time jobs at a minimum average annual wage equal to or greater than the average annual wage of the county in Colorado in which the project chooses to locate, the maintenance of net-new jobs in Colorado for one full year before any credits become vested and before any credits are issued, the company must create and maintain at least 20 net new full-time jobs.

Additionally, staff is requesting approval of \$160,000 in a performance-based Strategic Fund LONE incentive over a 5-year period, 60 months, at \$5,000 per net new jobs as outlined.

M/S/P - Duran, Wahl – Project Lime approved as presented and recommended by staff.

Project Rover

Aronstein presented Project Rover. The company behind Project Rover is a multinational corporation that is considering expanding its sales and marketing operations in Denver, Colorado. The company behind Project Rover was founded in New York and offers cloud-based monitoring and analytics platforms for developers, IT operations teams, and business users. The tech start-up is headquartered in New York and has operations in 30 different countries. It has permanent office spaces located in New York, Boston, Paris, and Ireland. The company currently has 64 employees, who are primarily software engineers, based in Denver, and has seen significant growth in 2019 and 2020 across all of its operations and major functions. As part of this growth, the company needs to expand its sales and marketing team to support the continued expansion of the company as a whole.

Staff is requesting \$5,402,006 in performance-based Job Growth Incentive Tax Credits over an 8-year period, 96 months, is requested from the EDC. This incentive is contingent upon the creation of up to 433 net new full-time jobs at a minimum average annual wage equal to or greater than the average annual wage of the county in Colorado in which the project chooses to locate, the maintenance of net-new jobs in Colorado for one full year before any credits become vested and before any credits are issued, the company must create and maintain at least 20 net new full-time jobs.

M/S/P – Brown, Takeda-Tinker – Project Rover approved as presented and recommended by staff.

Project Artemis (JGITC)

Aronstein presented the JGITC incentive for Project Artemis. Project Artemis is a Colorado-based, video game design company that is anticipating multiple new game design contracts and contemplating expansion in Colorado or elsewhere.

The company behind Project Artemis was founded in Colorado in the 90s, and has grown significantly as an industry leader in both Colorado and across the world with a reputation for innovative technology and compelling gameplay. The company has received two Colorado film incentives from the Colorado Office of Film, Television, and Media to date, which have supported the company's growth and development of two narrative video games here in Colorado. Their most recent release was internationally acclaimed and nominated for the prestigious Video Game Awards as well as for a BAFTA. The company is in the process of securing a contract that would significantly expand the company's video game design capabilities and employment footprint for at least the next three years. In anticipating this growth and potential follow-on contracts, the company is evaluating whether to build these new capabilities into its existing Colorado operations, to base these new employees and production activities in Georgia, or to hire these employees remotely from around the world. This project encompasses the growth that the company anticipates over the next eight years, which will include multiple, discreet video game design projects.

Staff is requesting \$2,514,264 in performance-based Job Growth Incentive Tax Credits over an 8-year period, 96 months, is requested from the EDC. This incentive is contingent upon the creation of up to 170 net new full-time jobs at a minimum average annual wage equal to or greater than the average annual wage of the county in Colorado in which the project chooses to locate, the maintenance of net-new jobs in Colorado for one full year before any credits become vested and before any credits are issued, the company must create and maintain at least 20 net new full-time jobs.

M/S/P – Allen-Davis, Wahl – Project Artemis approved as presented and recommended by staff.

Project Artemis (COFTM)

Baug presented the COFTM incentive for Project Artemis. Idol Minds LLC, dba Deck Nine Games, has been in business for twenty years. In 1997, Mark Lyons founded Idol Minds, a small independent game developer focused on PlayStation 1 games. With Project Artemis, they are bringing together their two passions: meaningful storytelling and rich gameplay. They are attracting world-class storytellers, artists, and writers to Colorado to help craft their vision. These people are drawing on their experiences on films like Avatar, King Kong, and Transformers, as well as TV shows like Criminal Minds to help bring rich and nuanced storytelling to games.

Idol Minds is pitching a new interactive game to an unannounced video game publisher, based in Los Angeles, California. The studio is proposing to use its industry-leading motion capture processes and pipelines, combined with the local Denver acting talent to deliver a fun, exciting and emotionally engaging story-based game. The players will explore their way through the game, making choices that impact not only themselves, but the characters they'll come to care so much about. Distribution plans for the proposed project include home PC, home video game consoles and new devices. The game will be

localized into 5+ languages and released simultaneously worldwide. Idol Minds, LLC has previously been approved for COFTM incentives for multiple phases of video games.

Per the applicant's estimations, the Office of Film, Television & Media is anticipating a total of \$4,490,000 in qualified local expenditures and with the multiplier effect, the economic impact could reach up to \$8,074,142. The estimated qualified local expenditures (excluding the wages paid to the Net New Jobs incentivized by the JGTC award) of the application would result in a rebate of \$150,000.

Staff is requesting approval of \$150,000 rebate in support of this project.

M/S/P – Wahl, Allen-Davis – Project Artemis approved as presented and recommended by staff.

COFTM Budget

Baug provided the COFTM budget update which shows \$182,448 in Strategic Fund dollars and \$265,825.77 in General Fund dollars. This gives us a combined total of \$448,273.77 in remaining funds.

Zuckerman said they will be bringing an SF budget request at a future date.

D. Strategic Fund Updates: Jeff Kraft, Sean Gould, Kent Thiry, Jason Betolacci, Delaney Keating Gap Fund Update

Thiry and Bertolacci provided a program update. The Energize Colorado Gap Fund is multi-year program focused on economic recovery and resilience. By providing critical capital the Fund seeks to drive local employment, provoke economic resurgence, and yield a resilient and refreshed community. The Gap Fund is currently awarding \$32 million dollars grants and loans to Colorado small businesses—made possible by Energize Colorado's partnership with the State of Colorado, including the Colorado General Assembly and the Office of Economic Development and International Trade, the Colorado Housing and Finance Authority, and the Gap Fund's private funders. The Gap Fund provides priority, but not exclusive, access to small business grants and loans for Colorado's women-owned, minority-owned, and veteran-owned and rural businesses. Many of these business have historically had limited access to capital. The pandemic has widened the gap.

Beyond the awarding of capital, the Gap Fund seeks to create an ongoing ecosystem to help small businesses in Colorado not only survive, but flourish. Outreach, building trust, adding value and wrapping businesses in post-award support are the foundations of the Gap Fund ecosystem.

In Round 1 we had 5600 applications. \$135M in requested funds, ninety percent of which came from priority businesses. The Fund's review and ranking process elevates priority businesses to the top of the funding pool to receive awards –businesses from the four priority groups, that have received no or inadequate prior assistance, and with both high community impact and high future viability. The Gap Fund awards are not first-come-first-served. From October 5th through the 26th we had Round 2 with \$19 million in grants to be awarded before December 30th, 1500 additional businesses to be awarded, and 90% of Round 1 Businesses Eligible for Round 2 funding or already awarded.

In addition to providing capital, Energize Colorado provides businesses with subsidized PPE, free and low-cost mental health support, free professional services, including free legal advice, and free business mentorship. The Gap Fund will continue to raise capital from foundations, individuals and public sources through 2021 and beyond to help businesses –and the families and communities that rely upon them – recover.

Duran commented saying through this effort there are some gaps that we've recognized that we may not have been paying attention to as closely in the past. One is, the whole issue of language and

communication access through multiple languages, particularly Spanish. We recognize that we do need to have application and information most consistently in Spanish throughout the state so we can be better economic support systems to Latino populations that need to have the trust in a language that they are most familiar with to communicate when you're asking for financial information and information about your business it is important that it be in a language that people are comfortable in sharing. The other thing is that the fact that \$4M will be going into the Minority Business Office program is a real important link here because we recognize early on that office had limits with its capacity to help with outreach and connection to small businesses throughout the state and I think we are seeing that kind of investment in a program like that will help us long term in economic recovery in a big way.

The EDC thanked Kent for his leadership in this program and Benita for representing the EDC in this effort and Sonya for all the work she has done on the program.

Startup Colorado Update

Keating presented the Startup Colorado program update. Our team continues to do great work. We have been down a man since July with Stan being out. We hope things will improve and he'll be back soon. Whenever I talk about rural impact I frame what it is we are talking about when we talk about rural numbers. A single job ripples deeper and wider in a rural community by nature of the many hats and roles people play within the interdependent smaller communities. And although we speak in smaller numbers we're reaching farther over miles and we're working to create density where it doesn't exist.

As you know in 2020 largely what we focused on given the nature of the pandemic was launching our regional response calls and ongoing capacity we really ramped up our publicity and storytelling efforts. We've launched our long term initiative for the virtual network platform and interest in shared metrics for the rural ecosystem.

We have closed our regional call effort at this time. Our collaborative team of twelve remains on deck throughout 2021 to reboot these calls if needed. At this time we don't believe they will. We did serve over 6 months. We delivered thirty regional webinars across Colorado and reached over six thousand attendees.

Anytime you ask the rural ecosystem what they need, they say they need help telling their story and broadcasting that outward. We of course believe the rural not only has a great story to tell but they often have something to teach the rest of the world. It's a real honor to do that. Scouting those stories across the state takes work and time, because again we run the miles whether it's done literally or virtually. Since January we've launched thirty seven podcasts and blogs. Many of those ended up focusing on connecting people to crisis solutions and stories. We've released three statewide press releases to benefit the ecosystem. Right now we are piloting a podcast with CPR on entrepreneurship in the west. This will just be a pilot but we're hopeful this can take off and we're excited to partner with them on this. Because of our podcasts we continue to be found and access other partners across the country. I've participated in twelve speaking engagements with other state and national organizations across the country. It's a nice moment to lean in with other people doing the work across the country to learn from each other and help inspire. It certainly helps to keep Colorado at the table which is always important. Our network reach in terms of the numbers from 2019 to today grew, from 500 to 2750 and a lot of that has to do with the carryover of people who continue to follow us and stay with us for those regional calls. The big question now is what we will do with that reach and how will we continue to bring them value. This is something we will continue to work on. The new virtual platform was just launched. This is where we hope to continue to carry the network in a meaningful way to really bridge from any of the regional calls they participated in initially to find more value than they perhaps find in some of the other social networks. In the rural environment we hope this will become a better ongoing portal to give people access to the information they need and when they need it.

We are having a lot of success with our launch. The key take away here is this project is a result of the work that Glenn and I did. We convened all the rural SBDC directors and rural opportunity representatives from the Startup Colorado team in a room for two days defining a joint mission and joint needs. From that we determine the need for a network platform to connect people throughout the state and the Remote Learner Platform that Glenn and his team continues to work on. These two things are working in tandem to serve the rural ecosystem and the ecosystem at large.

The network was built with over 50 ecosystem partners across Colorado. At prelaunch we had 240 activated users with official launch on November 18th. We do encourage people from the front-range to join this network. This also serves ecosystem builders as a micro-network tool for regional or industry focused groups. We have an outdoor industry group kicking off with Nathan Fey to bridge in ORec as well as other interesting state partners like Colorado Outdoors. This will maintain our expanded service to 55 rural counties because it breaks down those barriers. This will serve as a hub for shared ecosystem metrics. This will allow us to not only study the analytics of what is happening inside the ecosystem but also bridge other studies thorough the network and access that base. So we will continue working with Visible Network Labs to bridge in and launch and entrepreneurial support network study. This is our approach to look at the ecosystem instead of ecosystem mapping which can sometimes be one dimensional but to break into a more human-centric approach in understanding what's really working for entrepreneurs on the ground. I encourage everyone to take a look and let me know if you'd like a full demo.

We just kicked off our Rural Entrepreneurial Policy Academy & Forum with Telluride Foundation & Silicon Flatirons. We're mid academy and on our way to the forum which will happen on December 11th. We will be joined by federal, state and local policymakers at that forum with 8 rural entrepreneurs presenting. Betsy Markey will be joining us. Thank you for participating. This initiative funneled an additional \$85k in grant funding to the rural Colorado ecosystem. Additionally we are working on a Make Startups national pilot program partnering with Energize Colorado. This will be a unique opportunity for at least one rural entrepreneurial support organization. There will be a press release available in the coming weeks. We are also working on the Farm to Spaceship creative placemaking and economic activation which is a creative tool to help keep people inspired and connected digitally outside of our standard Zoom calls and to really add depth and dimension to the networks that we are building. We're having a lot of success with that. We use Farm to Spaceship as our platform for a kickoff party and overwhelmingly the response from everybody was that it was the best Zoom they had ever been to. We do our best to keep people active and positive to keep things moving forward.

We are funded through June 30, 2022 and budgeted well. As our EDC funding hits a tipping point where you have to approve us to receive our final \$200k, we do have four times match of the original \$700k you granted our organization. Additionally, as we look forward beyond 2022 we have a \$400k variance in our gift fund which will allow us to extend with full or partial staff into 2023. This does not mean we anticipate sum setting. At this time staff believes there will be a need to extend a partial version of Startup Colorado for 3-5 years regardless. This is to solve ongoing maintenance and management of the Network platform should it prove successful in the next 6-12 months. On a positive side, we are going to lean into our ecosystem partners but also we see that because of the way we are building the Network platform there is going to be several options and models to monetize Startup Colorado through the platform while maintaining it as free for entrepreneurs and we will be building out those models throughout the coming months.

There are a few needs in terms of the information we can give you to think about what kind of tactical response may be needed on the ground for rural Colorado's entrepreneurs. Free cohort based virtual startup education to elevate rural entrepreneurs available in English and Spanish. A good strategy might be to help funnel this through the remote learning platform to get it off the ground faster. We see a need

for technical systems grants that could partner with local marketing firms or other professional services on contract to provide free services to recipients of that grant. As always we see a need for more seed stage funding for our rural entrepreneurs.

Dragoo said he and Commissioner Franz were fortunate enough to be on the launch party. I would say that Delaney's work is important and impactful. If you ever get invited to one of her events, please attend. Delaney, thanks for what you do.

Franz said Delaney and her team are doing a great job of what we thought was a nearly impossible task of building this network out to rural companies and founders and actually providing connectivity. I think that we need to think about what we do with that connectivity. How we can use that to impact these folks that really didn't have that connectivity before.

The EDC thanked Delaney for all the work and the great update.

Engagement with CHFA on CLIMBER

Kraft said the EDC does not have oversight of the program but I wanted to provide some background. The CLIMBER program is a small business recovery loan program. The purpose of the loan program is to assist the state's recovery from the COVID-19 pandemic by leveraging private investment for loans to Colorado small businesses recovering from the COVID-19 crisis. Subject to the availability of proceeds from insurance premium tax credit purchases, the state treasurer may invest up to \$30 million in first loss capital from the small business recovery fund established in the bill in fiscal year 2020-21, and up to \$30 million in first loss capital in fiscal year 2021-22; except that the total invested across both fiscal years may not exceed \$50 million. The investments must be made in tranches of no more than \$10 million each. Each tranche must be matched at a 4-to-1 ratio by money invested from other sources before it is committed or deployed. Once the money in a tranche is matched, it must be used to make loans of working capital to Colorado businesses with between 5 and 100 employees that meet eligibility criteria. The loans must be between \$30,000 and \$500,000, with a maturity of up to 5 years. The state treasurer may not invest a new tranche of state money until the prior tranche is at least 90% invested in small business loans.

CLIMBER will likely launch in January. We wanted to put the context of the Gap Fund. It's taking a broader look at businesses. We do have targets and goals for loans to underserved communities the Gap Fund is serving but it will also be widely serving all communities.

We wanted you to know about that and know there is a whole ecosystem of funding tools that combines with some of the specialty programs you approved like the Winter Outdoor Dining program and we're hoping these will all fit together to serve a wide range of businesses.

Modification Just Transition Counties

Gould we looked at previously the presentation of the Just Transition Office. What we are trying to do with the Strategic Fund is address the Just Transition counties. We are asking the EDC for a modification to the local match policy for SF incentives.

EDC policy generally requires \$:\$1 or greater local match to EDC strategic incentive amount. This is policy, not a statutory requirement, although this requirement is upheld for the majority of all Strategic Fund projects.

- Local Match requirement for the following "Just Transition" counties will be waived during Calendar Year 2021 for ONE job creation incentive project up to \$1,000,000 per county. (Subject to fund availability.) Approved projects must commence at the later of 12/31/2021 or within 6 full months of EDC project approval (whichever is longer).

- Delta County, Gunnison County, La Plata County, Moffat County, Montrose County, Morgan County, Pueblo County, Rio Blanco County, Routt County.

Additionally we are requesting to add the words Just Transition Counties in the EZ section of payouts on the SF Fact Sheet.

M/S/P – Seaton, Dragoo – Modification for the Just Transition counties and SF Fact Sheet approved as presented and recommended by staff.

E. Enterprise Zone (EZ): Andrew Wallace

EZ Contribution Projects

Wallace presented the following EZ Contribution Project Proposals for approval.

EZ	Project Name	Type	Category	Completion Date	Budget	1 yr. Proj. Credits
Denver EZ	Urban Peak: Employment Services	Operations	Job Training	12/31/2026	\$695,523	\$72,812
Pikes Peak EZ	US Olympic & Paralympic Museum	Operations	Visitor Event/Attraction	12/31/2025	\$6,500,000	\$637,500
Pikes Peak EZ	Colorado Springs Pioneer Museum	Operations	Visitor Event/Attraction	12/31/2026	\$2,608,000	\$28,125
Pikes Peak EZ	Goodwill: Job Training	Operations	Job Training	12/31/2026	\$2,039,111	\$137,500
Region 10 EZ	Hilltop Community Resources Operations	Operations	Homeless Support	12/31/2026	\$1,253,444	\$2,625
Region 10 EZ	Gunnison Pioneer Museum Capital Campaign	Capital Campaign	Tourism Attraction	12/31/2025	\$403,000	\$65,500
Northeast EZ	Sedgwick County Health Center	Capital Campaign	Community Facility	12/31/2025	\$785,000	\$27,500
					\$14,284,078	\$971,562

M/S/P – Takeda-Tinker, Allen-Davis – EZ Contribution projects approved as presented and recommended by staff.

EZ Boundary Amendment Correction Request

Wallace presented the Boundary Amendment correction request. During the August EDC meeting, the Enterprise Zone team submitted a full boundary amendment packet for four different Enterprise Zones. All underlying information in the packet was correct, but in the cover letter, our team mistakenly said that the Pikes Peak enterprise zone had requested 1 census block group and 5 blocks to be added to their zones. In actuality, we should have requested that 1 census block group and 8 blocks as that was the request from Pikes Peak EZ and was what the underlying data presented. This was a clerical error but we are returning to the EDC to both correct the error and fully confirm all 8 of the blocks requested by Pikes Peak EZ.

M/S/P – Franz, Pryor – Boundary Amendment approved as presented and recommended by staff.

F. Advance Industries (AI): Katie Woslager

Wosalger presented the following AI projects from the last cycle for final approval.

AI Competitive Applications: 16 Projects totaling \$3,929,769.

Schiff called for a motion on the 16 projects.

M/S/P – Jones, Franz – AI Competitive Applications approved as presented and recommended by staff.

AI Fast Track Applications: 18 Projects totaling \$3,622,486

Schiff called for a motion on the 18 projects.

M/S/P – Franz, Allen-Dave – AI Fast Track Applications approved as presented and recommended by staff.

National Jewish Hospital Tech Transfer Allocation: 3 Projects totaling \$105,556

Schiff called for a motion on the 3 projects.

M/S/P – Takeda-Tinker, Jones – National Jewish Hospital TTO Allocations approved as presented and recommended by staff. Allen-Davis recused herself from this vote.

AI Budget

Wosalger provided the AI budget update which shows \$6,135,221 in remaining funds.

Schiff thanked Katie for the work on the program and encouraged everyone to participate in or watch the grant cycles for the AI program and see how these companies are put through their paces. They do an astounding job.

G. Regional Tourism Act (RTA): Jeff Kraft

Kraft thanked the EDC for agreeing to meet on the 30th where we will take up a formal request for extension of Commencement of Substantial Work with Go NoCO and remind you at our December meeting we will take up Colorado Springs request for extending the deadline to bond the revenue stream for the USAFA. More to come.

H. Other

Transferrable Tax Credit

Jensen provided a TTC program update. No major program events. OEDIT is working with Evraz to confirm the status of their Job Growth project, and working with VF Corporation to submit their confirmation of Strategic Capital Investment.

Next EDC Meeting

The next EDC meeting will be on November 30, 2020. This will be an early meeting and will focus on RTA program. The next full EDC meeting will be December 17, 2020. Both of these meetings will be virtual.

With all items discussed, the meeting was adjourned.